

House File 2095 - Introduced

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A BILL FOR

1 An Act eliminating the grants for students attending for-profit
2 accredited private institutions under the tuition grant
3 program affecting the eligibility of such institutions
4 to participate in other student and teacher assistance
5 programs.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 261.9, subsection 1, paragraph b, Code
2 Supplement 2011, is amended to read as follows:

3 b. Is accredited by the north central association of
4 colleges and secondary schools accrediting agency based on
5 their requirements, is exempt from taxation under section
6 501(c)(3) of the Internal Revenue Code, and annually provides a
7 matching aggregate amount of institutional financial aid equal
8 to at least seventy-five percent of the amount received in a
9 fiscal year by the institution's students for Iowa tuition
10 grant assistance under this chapter. Commencing with the
11 fiscal year beginning July 1, 2006, the matching aggregate
12 amount of institutional financial aid shall increase by the
13 percentage of increase each fiscal year of funds appropriated
14 for Iowa tuition grants under section 261.25, subsection 1, to
15 a maximum match of one hundred percent. The institution shall
16 file annual reports with the commission prior to receipt of
17 tuition grant moneys under this chapter. ~~An institution whose
18 income is not exempt from taxation under section 501(c) of
19 the Internal Revenue Code and whose students were eligible to
20 receive Iowa tuition grant money in the fiscal year beginning
21 July 1, 2003, shall meet the match requirements of this
22 paragraph no later than June 30, 2005.~~

23 Sec. 2. Section 261.25, subsections 2 and 5, Code Supplement
24 2011, are amended by striking the subsections.

25 EXPLANATION

26 This bill eliminates the standing appropriation of \$4
27 million from the general fund of the state for tuition
28 grants for students attending for-profit accredited private
29 postsecondary institutions, and eliminates, from a provision
30 that defines "accredited private institution" for purposes of
31 the tuition grant program, a requirement that a for-profit
32 accredited private institution meet the tuition grant match
33 requirements applicable to nonprofit institutions.

34 The definition of "accredited private institution", which
35 under the bill no longer includes for-profit accredited

1 private institutions, is also used for purposes of the
2 rules and procedures adopted by the state board of education
3 or the college student aid commission for the approval of
4 para-educator preparation programs offered by postsecondary
5 institutions, waivers to grant temporary relief from state
6 student assistance programs requirements in response to a
7 national emergency, textbook notice requirements, chiropractic
8 forgivable loans, the work-study program, the national guard
9 educational assistance program, minority academic grants for
10 academic success, the teacher shortage forgivable loan program,
11 and the senior year plus program.